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FM AMEMBASSY BAGHDAD
TO RUEHC/SECSTATE WASHDC PRIORITY 2149
INFO RUCNRAQ/IRAQ COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 03 BAGHDAD 002297

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E.O. 12958: DECL: 07/08/2017
TAGS: PGOV EFIN PBTS KJUS KDEM IZ

SUBJECT: PRT MOSUL: NINEWA'S COUNCIL CHAIR DETAINED ON CPI
WARRANT 2 JULY 2007

REF: BAGHDAD 01424

Classified By: Ninewa PRT Team Leader James Knight: 1.4 (B) and (D)

This is a Ninewa Provincial Reconstruction Team (PRT) message.

SUMMARY

¶1. (C) Ninewa Provincial Council Chair Salim Haji Issa was detained for questioning on financial malfeasance charges 2 July under a Commission for Public Integrity (CPI) warrant. Issa insists his arrest was motivated by his failure to respond to Kurdish Alliance directives; Ninewa Vice Governor Khasro Goran -- Ninewa's Kurdish Democratic Party (KDP) chief and head of the Kurdish Alliance -- has in fact frequently complained of the Alliance's lack of control over Issa and threatened his removal. Members of the Provincial Council vehemently object to the circumstances of Issa's arrest. As of 8 July, Issa remains in detention awaiting interrogation by a CPI investigative judge. END
SUMMARY.

ARRESTED WITHOUT WARNING

¶2. (C) Issa was arrested without prior notice in his office at Council Hall in Mosul by PDOP Wathiq early evening 2 July, on a warrant issued the same day by the CPI office in Tal Kaif. Issa telephoned Ninewa PRT to advise the Team Leader of his imminent arrest before surrendering peaceably to Wathiq. Wathiq later indicated Issa will be charged under the Iraqi Penal Code's Section 315, which addresses embezzlement and other financial malfeasance by public officials. According to Wathiq, charges against Issa include a range of irregularities in disbursement and contracting of 2006 GOI Provincial Accelerated Reconstruction and Development Funds, especially failure to execute contracts through service Ministry Directors General in Ninewa, failure to properly

advertise for bids, and undertaking contracts directly with firms without bidding.

EXTRAORDINARY COUNCIL SESSION ON ISSA'S ARREST

¶3. (SBU) Ninewa's Provincial Council held an unscheduled Council meeting 5 July under Deputy Chair Ali Ameen in view of Issa's arrest. The session opened with Council members condemning the manner in which Issa's arrest was executed, noting both the roles of the Chair and the Council should have been recognized by a more dignified process. In particular, opposition members objected to the arrest of Issa in this fashion given that the former Chair of the Council's Finance Committee, Francis Mansour, was notified of a similar pending warrant and asked to surrender to police at his convenience.

¶4. (SBU) Note: Francis fled Nineva rather than surrender to authorities, and remains a fugitive. He is generally believed to be in hiding in Dahuk Province of the Kurdistan Regional Government (KRG). The irregularities listed in the Council's internal audit report (para 5) are widely believed to be Francis' actions rather than

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Issa's. End note.

¶5. (SBU) The extraordinary session then focused on an internal Council audit commissioned by Issa in March 2007 that details a range of financial irregularities that may match those listed by the CPI. After extended discussion, the Council unanimously agreed to forward Issa's written rebuttal to the Council's audit report to the CPI. Issa's replacement was not discussed, as the Council awaits his still-pending interrogation by a CPI judge.

COMFORTABLE CONFINEMENT

¶6. (C) PRT IPAQ visited Issa at Provincial Police Headquarters in Mosul 3 July. Issa is confined to the Deputy Provincial Police Chief's office, and was then jovial and relaxed. Issa complimented PDOP Wathiq on his professionalism before expounding at length that his arrest is a consequence of his unwillingness to comply with Deputy Governor Khasro Goran's pro-KRG policies. Issa wound down his tirade by insisting that he "will not be pushed around by Kurds" and observing that Nineva's Sunni Arab majority supports him. (Note: Although nominally a member of Nineva's Kurdish Alliance list in the 2005 provincial elections, Issa is an independent Sunni Arab. End note.)

¶7. (C) When asked by IPAO if he understood why he was being held, Issa noted he is charged with embezzlement; he observed embezzlement may have taken place in the Finance or Reconstruction Committees, but that he is 'neither an accountant nor a contractor' and had a only a supervisory role with respect to both committees. Issa complained that CPI investigators did not interview him before his arrest and that he is being held without formal charges. IPAO again visited Issa on 5 July; Issa then reiterated his growing displeasure with his confinement and lack of progress towards resolving his case.

¶8. (C) In a phone conversation with IPAO while Issa's arrest was in progress, CPI Regional Director Muhsin Slevani confirmed the CPI warrant against Issa and promised fuller details in a scheduled 10 July meeting with Team Leader.

COMMENT

¶9. (C) The CPI based in Dahuk city and its satellite office in the KRG-dominated Ninewa District of Tal Kaif are widely believed to be political tools of the KRG. While he is implicated in contract irregularities, Issa is likely correct that his arrest reflects his unwillingness enthusiastically to pursue KRG agendas -- especially its expansion agenda for much of Ninewa Province under Article 140. The contrast between his case and that of Francis Mansour is possibly telling. Most of Ninewa's anti-Kurd opposition believes Francis is primarily responsible for the financial irregularities in question, and finds it unlikely that Francis remains in hiding in Dahuk without the connivance of KRG authorities -- especially in a province as

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tightly policed as Dahuk.

¶10. (C) COMMENT CONTINUED: A positive side to this event has been Ninewa's Provincial Council leadership's insistence at the emergency Council meeting 5 July that the Council will continue to operate effectively and quote continue to justify the PRT's confidence unquote (reftel), even without Issa's leadership. The Council is united in its umbrage -- at that meeting not one Council member supported Issa's arrest, and opposition and some Kurdish Alliance members joined in objecting to the manner in which the arrest was made. PDOP Wathiq attended the special Council meeting as well, and noted in his defense that the manner of Issa's arrest was discussed at length with

Ninewa's
Governor Kashmoula and Vice Governor Khasro early 3 July, and
they
together directed how it was undertaken. END COMMENT.
CROCKER